

ORDINANCE NO. 27992

AN ORDINANCE OF THE CITY OF SAN JOSÉ AMENDING SECTION 3.36.1555 OF CHAPTER 3.36 OF TITLE 3 OF THE SAN JOSE MUNICIPAL CODE TO PROVIDE FOR PAYMENT OF CERTAIN PRIOR SERVICE COSTS BY POLICE MEMBERS OF THE POLICE AND FIRE DEPARTMENT RETIREMENT PLAN

WHEREAS, enhancement of benefits for members of the Police and Fire Department Retirement Plan (the “Plan”) who are employed in the Police Department were implemented by Ordinance No. 27721, adopted May 23, 2006, pursuant to an agreement between the City and the San José Police Officers Association (the “SJPOA”); and

WHEREAS, as part of the agreement between the City and the SJPOA, if there is a delay in the implementation of the contribution rates for the enhanced benefits, the members of the Plan who are employed in the Police Department will make contributions for that portion of the prior service cost attributable to the contributions such members would have paid had the contribution rates been implemented effective July 1, 2006; and

WHEREAS, the Board of Administration for the Plan has determined that the contribution rates will be implemented effective December 17, 2006; and

WHEREAS, implementation of the agreement between the City and the SJPOA regarding contribution requires an amendment to the Plan; and

WHEREAS, the Board of Administration has received a report from its actuary regarding the actuarial cost of such benefits;

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE
CITY OF SAN JOSÉ:**

SECTION 1. Section 3.36.1555 of Chapter 3.36 of Title 3 of the San José Municipal Code is amended to read as follows:

3.36.1555 Special Member Prior Service Contribution Provision.

- A. The members of this Plan shall contribute to the retirement fund that portion of the contributions for prior service which is attributable to the contributions that would have been made as contributions for current service by members of this Plan because of the increased benefits provided by Section 3.36.805 and Section 3.36.1020.B.3 had the members made such contributions from February 4, 1996, to the effective date of the contribution rates adjustments to implement such benefits. The rate of contribution for such prior service, expressed as a percentage of payroll, shall be the same percentage for all members.
- B. The members of this Plan who are employed in the Police Department shall contribute to the retirement fund that portion of the contributions for prior service which is attributable to the contributions that would have been made as contributions for current service by such members because of the increased benefits provided by Ordinance No. 27721 had the members made such contributions from July 1, 2006, to the effective date of the contribution rates adjustments to implement such benefits. The rate of contribution for such prior service, expressed as a percentage of payroll, shall be the same percentage for all members who are employed in the Police Department.
- C. The prior service costs payable by members of this Plan pursuant to subsections A and B shall be amortized over the same period of time as the City's contributions for prior service costs for the benefits referenced in subsections A and B, respectively, are amortized.

SECTION 2. The contributions made by the Police members of the Plan pursuant to the provisions of San José Municipal Code Section 3.36.1555 B, as enacted by this Ordinance, shall commence December 17, 2006.

PASSED FOR PUBLICATION of title this 20th day of March, 2007, by the following vote:

AYES:	CAMPOS, CHIRCO, CONSTANT, CORTESE, LICCARDO, NGUYEN, OLIVERIO, PYLE, WILLIAMS; REED
NOES:	NONE
ABSENT:	NONE
DISQUALIFIED:	NONE
VACANT:	DISTRICT 4

CHUCK REED
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk